

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7851

BILL NUMBER: HB 1738

NOTE PREPARED: Apr 29, 2007

BILL AMENDED: Apr 29, 2007

SUBJECT: Water Resources and Environmental Crimes.

FIRST AUTHOR: Rep. Welch

FIRST SPONSOR: Sen. Gard

BILL STATUS: Enrolled

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
☐ **FEDERAL**

IMPACT: State & Local

Summary of Legislation: *Natural Resources Commission and Water Resources Study Committee:* This bill requires a person holding an existing contract with the Natural Resources Commission for water from the reservoir to provide notice of the request to any water utility or other person to whom it sells water for resale. The bill also requires each water utility or other person that receives notice to in turn provide notice of the request to any water utility or other person to whom it sells water for resale. The bill also requires the Water Resources Study Committee to study and make findings and recommendations concerning: (1) current processes and methods for water resource allocation and distribution in Indiana; and (2) appropriate policies governing future water resource allocation and distribution planning in Indiana. This bill requires the Committee to report its findings and recommendations to the Legislative Council not later than November 1, 2007.

Environmental Crimes: The bill specifies that for purposes of the statute making poisoning a public water supply a Class B felony, a person must act with the intent to cause serious bodily injury. The bill provides that for purposes of the statute making it a Class A infraction to litter in, on, or within 100 feet of a body of water under the jurisdiction of the: (1) DNR; or (2) U.S. Army Corps of Engineers; a judgment of not more than \$1,000 (rather than a judgment of at least \$1,000, as in current law) may be imposed.

Effective Date: Upon passage; July 1, 2007.

Explanation of State Expenditures: *Natural Resources Commission and Water Resources Study Committee:* This bill will increase the administrative costs of the Natural Resources Commission and the Water Resources Study Committee. It is estimated that the Natural Resources Commission and the Water Resources Study Committee can implement the provisions of this bill through the use of existing staff and

resources.

Background: According to the January 1, 2007, vacant positions report, the DNR had a total of 207 vacant positions valued at approximately \$6.25 M. The DNR, in FY 2006, reverted \$16.2 M. The Natural Resources Commission is funded through the DNR. The Water Resources Study Committee receives a budget for interim duties as determined by the Legislative Council. In the FY 2006 interim the Committee had a budget of \$9,500 and spent approximately \$2,300 for one meeting that interim.

Penalty Provision: A Class B felony is punishable by a prison term ranging from 6 to 20 years depending upon mitigating and aggravating circumstances. Assuming offenders can be housed in existing facilities with no additional staff, the average cost for medical care, food, and clothing is approximately \$1,825 annually, or \$5 daily, per prisoner. However, any additional expenditures are likely to be small. The average length of stay in Department of Correction facilities for all Class B felony offenders is approximately 3.7 years.

Explanation of State Revenues: *Penalty Provision:* If additional court cases occur and fines are collected, revenue to both the Common School Fund (from criminal fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class B felony is \$10,000. However, any additional revenues would likely be small. The maximum judgment for a Class A infraction is \$10,000, which would be deposited in the state General Fund. However, any additional revenue is likely to be small.

Explanation of Local Expenditures: *Penalty Provision:* If more defendants are detained in county jails prior to their court hearings, local expenditures for jail operations may increase. However, any additional expenditures would likely be small.

Explanation of Local Revenues: *Penalty Provision:* If additional court actions occur and a guilty verdict is entered or a judgment is entered, local governments would receive revenue from court fees. However, the amounts would likely be small.

State Agencies Affected: Department of Natural Resources; Natural Resources Commission; Water Resource Study Committee; Advisory Council for the Bureau of Water and Resource Regulation; Department of Correction.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources:

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